REGISTRY OF THE COMPETITION TRIBUNAL

Statement of Management Responsibility

Departmental management is responsible for this future-oriented financial statement, including responsibility for the appropriateness of the assumptions on which this statement is prepared. This statement is based on the best information available and assumptions adopted as at November 30, 2011 and reflect the plans described in the Report on Plans and Priorities.

The future-oriented financial statement for Registry of the Competition Tribunal has not been audited.

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Raynald Chartrand, CMA
Deputy Head and Registrar
Chief Financial Officer

Ottawa, Canada
Date:

REGISTRY OF THE COMPETITION TRIBUNAL

Future-oriented Statement of Financial Position *(unaudited)*

As at March 31

(in dollars)

	Estimated Results 2012	Planned Results 2013
Assets		
Financial assets		
Due from Consolidated Revenue Fund	$ 45,668	$ 47,038
Accounts receivable and advances (note 6)	53,693	55,304
Total financial assets	99,361	102,342
Non-financial assets		
Tangible capital assets (note 7)	141,664	45,935
TOTAL	$ 241,025	$ 148,277
Liabilities		
Accounts payable and accrued liabilities (note 8)	$ 103,536	$ 106,642
Vacation pay and compensatory leave	24,244	35,985
Employee future benefits (note 9)	147,175	218,454
Total liabilities	274,955	361,081
Equity of Canada	(33,930)	(212,804)
TOTAL	$ 241,025	$ 148,277

The accompanying notes form an integral part of these future-oriented financial statements.

REGISTRY OF THE COMPETITION TRIBUNAL

Future-oriented Statement of Operations (*unaudited*)
For the Year Ended March 31
(in dollars)

	Estimated Results 2012	Planned Results 2013
Expenses		
Process Cases	$ 1,727,422	$ 2,414,509
Internal Services	804,106	892,957
Total Expenses	$ 2,531,528	$ 3,307,466
Net Cost of Operations	$ 2,531,528	$ 3,307,466

Segmented information (note 11)

The accompanying notes form an integral part of these future-oriented financial statements.

REGISTRY OF THE COMPETITION TRIBUNAL

Future-oriented Statement of Equity of Canada *(unaudited)*

At March 31

(in dollars)

	Estimated Results 2012	Planned Results 2013
Equity of Canada, beginning of year	$ 33,059	$ (33,930)
Net Cost of Operations	(2,531,528)	(3,307,466)
Net cash provided by Government	1,801,498	2,439,474
Change in due from the Consolidated Revenue Fund	1,330	1,370
Services provided without charge by other government departments (note 10)	661,711	687,748
Equity of Canada, end of year	$ (33,930)	$ (212,804)

The accompanying notes form an integral part of these future-oriented financial statements.

REGISTRY OF THE COMPETITION TRIBUNAL

Future-oriented Statement of Cash Flow *(unaudited)*

For the Year Ended March 31

(in dollars)

	Estimated Results 2012	Planned Results 2013
Operating Activities		
Net Cost of Operations	$ 2,531,528	$ 3,307,466
Non-cash items:		
Amortization of tangible capital assets	(93,511)	(95,729)
Services provided without charge by other government departments (note 10)	(661,711)	(687,748)
Variations in Future-oriented Statement of Financial Position:		
Increase (decrease) in accounts receivable and advances	1,564	1,611
Decrease (increase) in accounts payable and accrued liabilities	(3,016)	(3,106)
Decrease (increase) in vacation pay and compensatory leave	1,768	(11,741)
Decrease (increase) in future employee benefits	24,876	(71,279)
Cash used by operating activities	$ 1,801,498	$ 2,439,474
Capital investment activities		
Acquisitions of tangible capital assets	-	-
Cash used by capital investment activities	$ -	$ -
Net cash provided by Government of Canada	$ (1,801,498)	$ (2,439,474)

The accompanying notes form an integral part of these future-oriented financial statements.

REGISTRY OF THE COMPETITION TRIBUNAL

Notes to Future-oriented Financial Statement (unaudited)

1. Authority and objectives

The Competition Tribunal is an independent, quasi-judicial tribunal established under the *Competition Tribunal Act* to hear applications brought by the Commissioner of Competition or a private party, depending on the circumstances, under various parts of the *Competition Act*. The purpose of the *Competition Act* is to maintain and encourage competition in Canada. The Tribunal hears applications related to deceptive marketing practices, such as misleading advertising, under Part VII.1 of the *Competition Act*. The Tribunal also has jurisdiction to hear references as well as applications brought pursuant to Part VIII, which sets out restrictive trade practices such as exclusive dealings

The *Competition Tribunal Act* provides for an administrative infrastructure in support of the workings of the Competition Tribunal, through the Registry of the Competition Tribunal. The Registry of the Competition Tribunal is designated a department under Schedule I.1 of the *Financial Administration Act* and therefore must adhere to federal public administration policies including the preparation of this Report on Plans and Priorities. This Report pertains to the activities of the Registry in support of the Tribunal and its deliberations, and not to Tribunal cases themselves

The Registry of the Competition Tribunal supports all aspects of the Tribunal's work and ensures that the Tribunal can hold hearings across Canada, as required. The Registry is also the repository for filing applications, consent agreements, and documents, as well as issuing documents and orders for all cases brought before the Tribunal. The office of the Registry of the Competition Tribunal is located in the National Capital Region.

2. Methodology and significant assumptions

The Future-Oriented Financial Statement have been prepared on the basis of the government priorities and the plans of the Registry as described in the Report on Plans and Priorities:

(a) Forecast of 2012-13 is based on the planned spending amounts presented in the 2012-13 Report on Plans and Priorities.

(b) Estimated year-end information for 2011-12 is used as the opening position for the 2012-13 planned results.

These assumptions are adopted as at November 30, 2011.

3. Variations and Changes to the Forecast Financial Information

While every attempt has been made to forecast final results for the remainder of 2011-12 and for 2012-13, actual results achieved for both years are likely to vary from the forecast information presented, and this variation could be material.

In preparing these future-oriented financial statements the Registry has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Factors that could lead to material differences between the future-oriented financial statement and the historical financial statements include:

(a) The timing and amounts of acquisitions and disposals of property, plant and equipment may affect gains/losses and amortization expense.

(b) Implementation of new collective agreements.

(c) Further changes to the operating budget through additional new initiatives or technical adjustments later in the year.

(d) The actual number of claims received and the expenses that are directly related to them.

Once the Report on Plans and Priorities is presented, the Registry will not be updating the forecasts for any changes to appropriations or forecast financial information made in ensuing supplementary estimates. Variances will be explained in the Departmental Performance Report.

4. Summary of Significant Accounting Policies

The future-oriented financial statements have been prepared in accordance with the Treasury Board accounting policies in effect for the 2011-12 fiscal year. The accounting policies stated below, are based on Canadian generally accepted accounting principles for the public sector. The presentation and results using the stated accounting policies do not result in any significant differences from Canadian generally accepted accounting principles.

Significant accounting policies are as follows:

a) Parliamentary authorities

The Registry is financed by the Government of Canada through Parliamentary authorities. Financial reporting of authorities provided to the Registry do not parallel financial reporting according to generally accepted accounting principles since authorities are primarily based on cash flow requirements. Consequently, items recognized in the Future-oriented Statement of Operations and the Future-oriented Statement of Financial Position are not necessarily the same as those provided through authorities from Parliament. Note 5 provides a high-level reconciliation between the bases of reporting.

b) Net cash provided by Government

The Registry operates within the Consolidated Revenue Fund (CRF), which is administered by the Receiver General for Canada. All cash received by the Registry is deposited to the CRF and all cash disbursements made by the Registry are paid from the CRF. The net cash provided by Government is the difference between all cash receipts and all cash disbursements including transactions between departments of the Government.

c) Amounts due from/to the CRF

Amounts due from/to the CRF are the result of timing differences at year-end between when a transaction affects authorities and when it is processed through the CRF. Amounts due from the CRF represent the net amount of cash that the Registry is entitled to draw from the CRF without further parliamentary expenditure authorities to discharge its liabilities.

d) Forecasted expenses - are recorded on an accrual basis:

- Vacation pay and compensatory leave are accrued as the benefits are earned under their respective terms of employment.

- Services provided without charge by other government departments for accommodation and for the employer's contribution to the health and dental insurance plans are reported as operating expenses at their estimated cost.

e) Employee future benefits

i. Pension benefits: Eligible employees participate in the Public Service Pension Plan, a multiemployer plan administered by the Government of Canada. The Registry's contributions to the Plan are charged to expenses in the year incurred and represent the total Registry obligation to the Plan. Current legislation does not require the Registry to make contributions for any actuarial deficiencies of the Plan.

ii. Severance benefits: Employees are entitled to severance benefits under labour contracts or conditions of employment. These benefits are accrued as employees render the services necessary to earn them. The obligation relating to the benefits earned by employees is calculated using information derived from the results of the actuarially determined liability for employee severance benefits for the Government as a whole.

f) Accounts receivables

Accounts receivables are stated at the lower of cost and net recoverable value; a valuation allowance is established for receivables where recovery is considered uncertain.

g) Tangible capital assets

All tangible capital assets and leasehold improvements having an initial cost of $3,000 or more are recorded at their acquisition cost. The Registry does not capitalize intangibles, works of art and historical treasures that have cultural, aesthetic or historical value, assets located on Indian Reserves and museum collections. Assets under construction are recorded in the applicable capital asset class in the year that they become available for use and are not amortized until they become available for use.

Amortization of tangible capital assets is done on a straight-line basis over the estimated useful life of the asset as follows:

Asset Class	Amortization Period
Machinery and equipment	10 years
Informatics hardware	3 - 4 years
Other equipment	5 - 10 years
Leasehold Improvements	Period of the lease

5. Parliamentary Authorities

The Registry receives its funding through annual Parliamentary authorities. Items recognized in the Future-oriented Statements of Operations and Financial Position in one year may be funded through Parliamentary authorities in prior, current or future years. Accordingly, the Registry has different net results of operations for the year on a government funding basis than on an accrual accounting basis. The differences are reconciled in the following tables:

REGISTRY OF THE COMPETITION TRIBUNAL

Notes to Future-oriented Financial Statement (unaudited)

a) Authorities requested

	Estimated Results 2012	Planned 2013
	(in dollars)	
Vote 85 - Program expenditures	2,273,104	2,160,778
Statutory amounts	112,197	166,536
Vote 25 - Operating Budget carry forward	95,350	113,655
Forecast authorities available	2,480,651	2,440,969

Authorities presented reflect current forecasts of statutory items, approved initiatives included and expected to be included in Estimates documents and, when reasonable estimates can be made, estimates of amounts to be allocated at year-end from Treasury Board central votes.

b) Reconciliation of net cost of operations to requested authorities:

	Estimated Results 2012	Planned 2013
	(in dollars)	
Net cost of operations	2,531,528	3,307,466
Adjustments for items affecting net cost of operations but not affecting authorities:		
Services provided without charge by other government departments	(661,711)	(687,748)
Amortization of tangible capital assets	(93,511)	(95,729)
Decrease (increase) in employee future benefits	24,876	(71,279)
Decrease (increase) in vacation pay and compensatory leave	1,768	(11,741)
Refund of prior years' expenditures	51	-
	1,803,001	2,440,969
Adjustments for items not affecting net cost but affecting authorities:		
Acquisitions of tangible capital assets	-	-
Forecast current year lapse	677,650	-
Forecast authorities available	2,480,651	2,440,969

6. Accounts receivable and advances

The following table presents details of the Registry's accounts receivable and advances:

	Estimated Results 2012	Planned Results 2013
	(in dollars)	
Receivables from other Government departments and agencies	53,193	54,804
Standing advances	500	500
Total	53,693	55,304

REGISTRY OF THE COMPETITION TRIBUNAL

Notes to Future-oriented Financial Statement (unaudited)

7. Tangible capital assets

	Estimated Results 2012	Planned Results 2013
	(in dollars)	
Opening Balance	235,175	141,664
Acquisitions	-	-
Amortization	(93,511)	(95,729)
Closing Balance	141,664	45,935

8. Accounts payable and accrued liabilities

The following table presents details of the Registry's accounts payable and accrued liabilities:

	Estimated Results 2012	Planned Results 2013
	(in dollars)	
Accounts payable to other government departments and agencies	23,221	23,918
Accounts payable to external parties	73,382	75,584
	96,603	99,502
Accrued liabilities	6,933	7,140
Total	103,536	106,642

9. Employee future benefits

a) Pension benefits

The Registry's employees participate in the Public Service Pension Plan, which is sponsored and administered by the Government. Pension benefits accrue up to a maximum period of 35 years at a rate of 2 percent per year of pensionable service, times the average of the best five consecutive years of earnings. The benefits are integrated with Canada/Quebec Pension Plans benefits and they are indexed to inflation.

Both the employees and the Registry contribute to the cost of the Plan. The forecast expenses are $78,762 in 2011-12 and $116,908 in 2012-13, representing approximately 1.9 times the contribution of employees.

The Registry's responsibility with regard to the Plan is limited to its contributions. Actuarial surpluses or deficiencies are recognized in the financial statements of the Government of Canada, as the Plan's sponsor.

b) Severance benefits

The Registry provides severance benefits to its employees based on eligibility, years of service and final salary. These severance benefits are not pre-funded. Benefits will be paid from future authorities. Information about the severance benefits, estimated as at the date of these statements, is as follows:

	Estimated Results 2012	Planned Results 2013
	(in dollars)	
Accrued benefit obligation, beginning of the year	172,051	147,175
Expense for the year	(24,876)	71,279
Accrued benefit obligation, end of the year	147,175	218,454

10. *Related party transactions*

The Registry is related as a result of common ownership to all Government of Canada departments, agencies and Crown Corporations. The Registry enters into transactions with these entities in the normal course of business and on normal trade terms. Also, during the year, the Registry received common services which were obtained without charge from other Government departments as disclosed below.

a) Common services provided without charge by other government departments:

During the year, the Registry receives services without charge from certain common service organizations. These services provided without charge have been recorded in the Registry's Future-oriented Statement of Operations as follows:

	Estimated Results 2012	Planned Results 2013
	(in dollars)	
Accommodation	607,952	607,952
Employer's contribution to the health and dental insurance plans	53,759	79,796
Total	661,711	687,748

The Government has centralized some of its administrative activities for efficiency, cost-effectiveness purposes and economic delivery of programs to the public. As a result, the Government uses central agencies and common service organizations so that one department performs services for all other departments and agencies without charge. The costs of these services, such as the payroll and cheque issuance services provided by Public Works and Government Services Canada and audit services provided by the Office of the Auditor General are not included in the Registry's Future-oriented Statement of Operations.

b) Other transactions with related parties:

	Estimated Results 2012	Planned Results 2013
	(in dollars)	
Expenses - Other Government departments and agencies	726,801	915,165

REGISTRY OF THE COMPETITION TRIBUNAL

Notes to Future-oriented Financial Statement (unaudited)

11. Segmented information

(in dollars)

Presentation by segment is based on the Registry's program activity architecture. The presentation by segment is based on the same accounting policies as described in the Summary of significant accounting policies in note 4. The following table presents the forecasted expenses incurred by major object of expenses. The segment results for the period are as follow:

	2012	2013		
	Total	Process Cases	Internal Services	Total
Operating Expenses				
Salaries and employee benefits	771,778	963,778	304,351	1,268,129
Professional and special services	673,862	659,814	208,362	868,176
Accommodation	607,952	303,976	303,976	607,952
Utilities, materials and supplies	42,068	60,906	19,233	80,139
Transportation and telecommunications	199,200	272,073	8,415	280,488
Amortization of tangible capital assets	91,280	72,754	22,975	95,729
Repair and maintenance	6,283	0	0	0
Rentals	5,532	10,151	3,206	13,357
Information	133,573	71,057	22,439	93,496
Total Operating Expenses	2,531,528	2,414,509	892,957	3,307,466
Net Cost of Operations	2,531,528	2,414,509	892,957	3,307,466